FILED
U.S. DISTRICT COURT
DISTRICT OF MARYLAND
2013 MAY 20 A 11: 47

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(NORTHERN DIVISION)

FIDELITY AND GUARANTY LIFE INSURANCE COMPANY,	:	
Plaintiff,	:	
v.	:	CIVIL ACTION NO. ELH 11 CV 1406
EBONY MOBLEY, *et al.*,	:	
Defendants.	:	

CONSENT JUDGMENT

This is an interpleader action brought by Fidelity & Guaranty Life Insurance Company ("F&G Life"), pursuant to 28 U.S.C. §§ 1335, 1397, and 2361, to determine the respective rights of Ebony Mobley f/k/a Ebony Jones and Ebony J. Robinson ("Mobley"), JG Wentworth Originations, LLC f/k/a Henderson Receivables Limited Partnership ("Wentworth"), Woodbridge Investments, LLC ("Woodbridge"), Sierra Finances, LLC ("Sierra"), St. Paul Fire and Marine Insurance Company ("St. Paul") and Fidelity & Guaranty Life Assignment, LLC f/k/a Fidelity & Guaranty Assignment, LLC ("F&G Assignment") to receive payments under F&G Assignment Annuity Policy No. I67688 ("Annuity").

Factual Background

1. F&G Assignment purchased the Annuity from F&G Life to fund its obligations to make future Periodic Payments to Mobley pursuant to a Settlement Agreement and Release with Assignment ("Settlement Agreement") that was approved by a Judgment of the Court of Common Pleas for the Fifth Judicial Circuit of the State of South Carolina, County of Richland, on June 22, 2001. Pursuant to the terms of the Settlement Agreement, F&G Assignment was

obligated to make the $800.00 per month in Periodic Payments for a term of 360 months beginning on July 15, 2001; $12,000 lump sum, guaranteed, on June 15, 2011; $14,000.00 lump sum, guaranteed, on June 15, 2016; $16,000.00 lump sum, guaranteed, on June 15, 2021; $18,000.00 lump sum, guaranteed on June 15, 2026; and $14,265.00 per year for five years, commencing on August 1, 2017.

2. On or about February 20, 2003, Mobley sold to Wentworth, pursuant to a Purchase Agreement, her rights to $500.00 from each of the $800.00 Annuity payments due for the period beginning on April 15, 2003 and ending on March 15, 2012.

3. On or before March 23, 2004, Mobley sold to First Providian, LLC her right to $300.00 from each of the 108 monthly Annuity payments (in the total amount of $800.00 each) due and payable during the period from January 15, 2004 through and including December 15, 2012.

4. On or about August 5, 2004, Mobley entered into a Purchase Agreement with Wentworth, pursuant to which Wentworth purchased from her certain rights to specified lump sum Annuity payments from June 15, 2011 through August 1, 2020. On October 13, 2004, the Court of Common Pleas, State of South Carolina, County of Richland, ordered *inter alia*, "that the Interests of Payee [Mobley], be, and hereby is, transferred to [Wentworth] for the following: A) one (1) payment of Twelve Thousand ($12,000.00) Dollars on June 15, 2011; B) one (1) payment of Fourteen Thousand ($14,000.00) Dollars on June 15, 2016; C) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2017; D) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2018; E) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2019; and F) one (1) payment of Fourteen Thousand Two Hundred Sixty-five

($14,265.00) Dollars on August 1, 2020."

5. On or about February 25, 2005, Mobley sold to Wentworth, pursuant to a Purchase Agreement, her right to receive $500.00 from each of the 110 monthly Annuity payments (in the total amount of $800.00 each) beginning on April 15, 2012 and ending on May 15, 2021.

6. On or about April 5, 2006, Mobley sold to Wentworth, pursuant to a Purchase Agreement, her right to receive the following payments payable under the Structured Settlement Agreement and the Annuity: (a) monthly payments of $300 payable between January 15, 2013 and May 15, 2021; (b) 59 monthly payments of $800 payable between August 15, 2021 through June 15, 2026; (c) a lump sum payment $16,800 payable on June 15, 2021; and (d) a lump sum payment of $14,265 payable on August 1, 2021.

7. Pursuant to a purchase agreement between Woodbridge and Mobley, on May 25, 2007, the Court of Common Pleas, State of South Carolina, County of Richland, entered an Order Approving Application for Approval of Transfer of Structured Settlement Payment Rights pursuant to which the Court ordered, *inter alia*, "that the transfer of the structured settlement payment rights as described in the application is hereby approved"; and the Court further ordered that "[F&G Assignment] is hereby ordered to direct [F&G Life] to remit the following: $12,000 due on June 15, 2011; $14,265.00 due on August 1, 2017; $14,265.00 due on August 1, 2018; $14,265.00 due on August 1, 2019; $14,265.00 due on August 1, 2010; and $16,000.00 due on June 15, 2021 . . . [to Woodbridge]."

8. Subsequent to the entry of the May 25, 2007 Order Approving Application for Approval of Transfer of Structured Settlement Payment Rights, F&G Life notified Woodbridge that one of the payments which the Court ordered F&G Life to make to Woodbridge, i.e.,

$16,000.00 which was due on June 15, 2021, had previously been sold by Mobley (who was then known as Ebony J. Robinson) in a prior transaction with another company. As a result, Woodbridge asked the Court of Common Pleas, State of South Carolina, County of Richland, to amend the May 25, 2007 Order to "accurately reflect the prior transaction: The transaction of the June 21, 2021, payment of $16,000.00 is void as to this transaction and the payment due on June 15, 2016 in the amount of $14,000.00 will be transferred to Woodbridge Investments, LLC."

9. On August 16, 2007, the Court of Common Pleas, State of South Carolina, County of Richland, entered an Amended Order on Application for Approval of Transfer of Structured Settlement Payment Rights pursuant to which, *inter alia*, the Court ordered that F&G Assignment direct F&G Life "to remit the following: $12,000.00 due on June 15, 2011; $14,000.00 due on June 15, 2016; $14,265.00 due on August 1, 2017; $14,265.00 due on August 1, 2018; $14,265.00 due on August 1, 2019; and $14,265.00 due on August 1, 2020 [to Woodbridge]." (Collectively, the October 13, 2004 Court of Common Pleas, State of South Carolina, County of Richland Order referenced in Paragraph 2, *supra*, and the August 16, 2007 Court of Common Pleas, State of South Carolina, County of Richland Order referenced in this Paragraph shall be referred to as the "South Carolina Court Orders.")

10. Woodbridge assigned any rights, title and interest it had in Mobley's annuity payments to Sierra.

11. On or about March 14, 2011, Mobley wrote a letter to F&G Life requesting that (a) her address and phone number be changed; (b) requesting her name be changed from Ebony Jones to Ebony Mobley; and (c) submitting an authorization for Direct Deposition form pursuant to which she authorized F&G Life to deposit Annuity payments directly into her checking

account; and (d) asking that the "payment of 12,000 coming due to me in June 2011 . . . be disbursed a little early."

12. F&G Life commenced this interpleader action on May 24, 2011, by filing a Complaint for Interpleader and naming Mobley, Wentworth, Woodbridge, St. Paul and F&G Assignment as interpleader defendants. On January 9, 2012, F&G Assignment filed a Motion for Leave to Amend Answer and Cross-Claim to Add an Additional Cross-Claim Defendant. The motion was granted and Sierra was added as an additional cross-claim defendant in this case. All defendants have been properly served with process.

13. Contested payments began with the June 15, 2011 payment. Wentworth, Woodbridge and Mobley claimed an interest in the $12,000.00 payment due in June 15, 2011. Additionally, Wentworth and Woodbridge and/or Sierra claimed an interest in the following payments: $14,000.00 due on June 15, 2016; $14,265.00 due on August 1, 2017; $14,265.00 due on August 1, 2018; $14,265.00 due on August 1, 2019; and $14,265.00 due on August 1, 2020.

14. There is no conflict or contest for any other payment stream to Wentworth and the Annuity Issuer shall make those payments pursuant to the relevant purchase agreements and court orders in its possession.

15. Wentworth, Woodbridge and Sierra have reached an agreement with respect to the contested payments.

16. The parties all acknowledge that pursuant to the October 13, 2004 Order in the Court of Common Pleas, State of South Carolina, County of Richland, Wentworth is entitled to all of the contested annuity payments, including: A) one (1) payment of Twelve Thousand ($12,000.00) Dollars on June 15, 2011; B) one (1) payment of Fourteen Thousand ($14,000.00) Dollars on June 15, 2016; C) one (1) payment of Fourteen Thousand Two Hundred Sixty-five

($14,265.00) Dollars on August 1, 2017; D) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2018; E) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2019; and F) one (1) payment of Fourteen Thousand Two Hundred Sixty-five ($14,265.00) Dollars on August 1, 2020." Woodbridge and Sierra relinquish any and all rights to each of the aforesaid contested payments.

17. On November 18, 2011, this Court issued an Order of Default against Mobley for her failure to plead or otherwise defend F&G Life's Complaint and Wentworth's Cross-Claim. *See* Order of Default, Document No. 47.

UPON THE JOINT MOTION of Wentworth, Woodbridge, Sierra, St. Paul and F&G Assignment, it is this 17th day of May 2013, ORDERED that:

1. Pursuant to the Court's authority under 28 U.S.C. §§ 1651 and 2361:

   a. Mobley, and anyone claiming any interest derived in any way from her, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, St. Paul, F&G Assignment, Wentworth, Woodbridge and Sierra based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that she now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit;

   b. St. Paul, and anyone claiming any interest derived in any way from it, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, F&G Assignment, Mobley, Wentworth, Woodbridge and/or Sierra, based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that it now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit.

c. F&G Assignment, and anyone claiming any interest derived in any way from it, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, St. Paul, Mobley, Wentworth, Woodbridge and/or Sierra, based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that it now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit.

d. Wentworth, and anyone claiming any interest derived in any way from it, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, St. Paul, F&G Assignment, Mobley, Woodbridge and/or Sierra based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that it now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit;

e. Woodbridge, and anyone claiming any interest derived in any way from it, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, St. Paul, F&G Assignment, Mobley, and/or Wentworth based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that it now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit; and

f. Sierra, and anyone claiming any interest derived in any way from it, is permanently enjoined from continuing or ever bringing any action or making any claim against F&G Life, St. Paul, F&G Assignment, Mobley, and/or Wentworth, based upon or arising out of the Settlement Agreement, the Annuity, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders, as amended, that it now has, or may in the future have, foreseen or unforeseen, that in any way arises from or relates to the claims and transactions referenced in this Lawsuit;

2. F&G Life is released from any liability to Mobley, St. Paul, F&G Assignment, Wentworth, Woodbridge and Sierra, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase

Agreements, the Purchase Agreement Documents or the South Carolina Court Orders that have accrued from the beginning of time to the date of this Consent Judgment.

3. St. Paul is released from any liability to F&G Life, Mobley, F&G Assignment, Wentworth, Woodbridge and Sierra, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders that have accrued from the beginning of time to the date of this Consent Judgment.

4. F&G Assignment is released from any liability to F&G Life, Mobley, St. Paul, Wentworth, Woodbridge and Sierra, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders that have accrued from the beginning of time to the date of this Consent Judgment.

5. Wentworth is released from any liability to F&G Life, Mobley, St. Paul, F&G Assignment, Woodbridge and Sierra, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court that have accrued from the beginning of time to the date of this Consent Judgment.

6. Woodbridge is released from any liability to F&G Life, Mobley, St. Paul, F&G Assignment and Wentworth, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders that have accrued from the beginning of time to the date of this Consent Judgment.

7. Sierra is released from any liability to F&G Life, Mobley, St. Paul, F&G

Assignment and Wentworth, with respect to any and all claims that arise out of or relate in any way to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements, the Purchase Agreement Documents or the South Carolina Court Orders that have accrued from the beginning of time to the date of this Consent Judgment.

8. Wentworth shall indemnify, defend, and hold harmless F&G Life, St. Paul and F&G Assignment from any claim made or action brought by Mobley, the Mobley heirs, or any other person (i) on account of any Annuity payments that were made directly or indirectly to Wentworth up to this date; (ii) on account of any Annuity payments that are to be made to Wentworth, pursuant to this Consent Judgment; or (iii) for any actions or omissions occurring prior to the date of this Consent Judgment and arising out of or from the payment of monies to Wentworth under the Annuity, or the Settlement Agreement. Wentworth's indemnification shall include all actual attorneys' fees, costs, and expenses incurred by F&G Life, St. Paul and/or F&G Assignment as a consequence of any such claim or action.

9. 10% of the interest earned on the funds deposited into the Registry of the Court shall be retained by the Court as its Registry Fee.

10. F&G Life's attorneys' fees and expenses in the amount of $3,479.25 shall be paid to F&G Life from the funds deposited into the Registry of the Court within thirty days of the entry of this Court's Order and sent by the Clerk of the Court to:

Fidelity & Guaranty Life Insurance Company
c/o Max S. Stadfeld, Esquire
Offit | Kurman Attorneys At Law
Suite 200
8 Park Center Court
Owings Mills, Maryland 21117

11. All remaining monies in the Registry of the Court shall be paid to Wentworth and sent by the Clerk of the Court to:

J.G. Wentworth
Attention: Richard Connelly
Suite 320
201 King of Prussia Road
Radnor, PA 1908

12. Within thirty (30) days after receiving notice of the entry of this Consent Order, F&G Assignment shall instruct F&G Life and F&G Life shall obey F&G Assignment's instructions to:

(i) Revoke the suspension of payments under the Annuity Contract; and

(ii) Enter into its records instructions to pay each of the future Annuity Payments to Wentworth, pursuant to the Purchase Agreements Mobley entered into with Wentworth and the corresponding South Carolina Court Orders and this Consent Judgment, which have been provided to F&G Assignment. Each of these payments shall be sent to Wentworth at the address stated in Paragraph 11, *supra*, or at such other addresses as Wentworth may designate by written notice given to Annuity Issuer, with a copy to Annuity owner, not less than sixty (60) days, prior to the due date of such payment.

13. Nothing in this Consent Judgment shall preclude F&G Life, St. Paul, F&G Assignment, and/or Wentworth from raising any claim or issue that was raised or that could have been raised in the present case, except for issues relating directly to the Settlement Agreement, the Annuity, the Periodic Payments, the Purchase Agreements and/or the South Carolina Court Orders in any pending or future case. This Consent Judgment, and/or the actions and representations of F&G Life, St. Paul, F&G Assignment, and/or Wentworth in satisfying their respective obligations in connection with this Consent Judgment, shall not constitute evidence in

this or any matter, and is not intended to constitute evidence in any other matter that: (i) payments under a structured settlement contract or annuity or related contracts can or cannot be assigned or that "anti-assignment" or "anti-encumbrance" provisions in structured settlement contracts or annuities or related contracts are not valid and enforceable; (ii) other transactions entered into by F&G Life, St. Paul, F&G Assignment, and/or Wentworth and their customers constitute or do not constitute valid sales and/or loans; (iii) F&G Life, St. Paul, F&G Assignment, and/or Wentworth have waived any right in connection with any other litigation or claims; (iv) F&G Life, St. Paul, F&G Assignment, and/or Wentworth have waived any right or claims with respect to any matter other than the Settlement Agreement, the Annuity, the Periodic Payments, or the Purchase Agreement.

14. Nothing in this Consent Judgment shall preclude Sierra from pursuing its Cross-Claim against Woodbridge in this present case. Moreover, nothing in this Consent Judgment shall preclude Sierra and/or Woodbridge from raising any claim or issue that was raised or that could have been raised in the present case, except for issues relating directly to the Settlement Agreement. This Consent Judgment, and/or the actions and representations of Sierra and Woodbridge in satisfying their respective obligations in connection with this Consent Judgment, shall not constitute evidence in this or any matter, and is not intended to constitute evidence in any other matter that: (i) payments under a structured settlement contract or annuity or related contracts can or cannot be assigned or that "anti-assignment" or "anti-encumbrance" provisions in structured settlement contracts or annuities or related contracts are not valid and enforceable; (ii) other transactions entered into by Sierra and/or Woodbridge and their customers constitute or do not constitute valid sales and/or loans; (iii) Sierra and/or Woodbridge have waived any right in connection with any other litigation or claims; (iv) Sierra and/or Woodbridge have waived any

right or claims with respect to any matter other than the Settlement Agreement.

15. This Consent Judgment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors, heirs and permitted assigns (if any).

16. DEFINITIONS:

A. As used in this Consent Judgment, the term "F&G Life" shall mean Fidelity & Guaranty Life Insurance Company, its predecessor corporations, parent corporations, subsidiary corporations, affiliates, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

B. As used in this Consent Judgment, the term "St. Paul" shall mean St. Paul Fire and Marine Insurance Company, its predecessor corporations, parent corporations, subsidiary corporations, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

C. As used in this Consent Judgment, the term "F&G Assignment" shall mean Fidelity & Guaranty Life Assignment, LLC f/k/a Fidelity & Guaranty Assignment, LLC, its predecessor corporations, parent corporations, subsidiary corporations, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

D. As used in this Consent Judgment, the term "Wentworth" shall mean JG Wentworth Originations, LLC, f/k/a 321 Henderson Receivables Limited Partnership, its predecessor corporations, parent corporations, subsidiary corporations, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

E. As used in this Consent Judgment, the term "Woodbridge" shall mean Woodbridge Investments, LLC, its predecessor corporations, parent corporations, subsidiary corporations, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

F. As used in this Consent Judgment, the term "Sierra" shall mean Sierra Finances, LLC, its predecessor corporations, parent corporations, subsidiary corporations, successor corporations, and their respective officers, directors, shareholders, employees, agents, attorneys, and assigns.

G. As used in this Consent Judgment, the term "Mobley" shall mean Ebony Mobley f/k/a Ebony Jones and Ebony J. Robinson, and any and all of her heirs, successors or assigns.

17. All parties hereto (i.e., St. Paul, F&G Assignment, Wentworth, Woodbridge and Sierra), by their requesting that the Court enter this Consent Judgment, have warranted and represented that they have received, read and understood this Consent Judgment before signing the Joint Motion requesting that the Court enter the same, that they have had full opportunity to consult with legal counsel, that they have authority to sign the Joint Motion Requesting Entry of Consent Judgment and legally bind themselves thereto and have voluntarily and knowingly signed the Joint Motion Requesting Entry of Consent Judgment of their own free will.

18. Except as provided herein, each party shall bear his, her or its own costs and attorneys' fees incident to the action.

19. Nothing in this Consent Judgment shall preclude any party from bringing an action to enforce the terms of the Consent Judgment.

20. This Court shall retain exclusive jurisdiction over this matter to enforce any and all matters relating to this Consent Judgment, including but not limited to any matter relating to the Settlement Agreement, the Annuity, the Purchase Agreements and/or the South Carolina

Court Orders. The Parties are specifically enjoined from their initiating or bringing any claim or action before any court, administrative tribunal or agency related to the Settlement Agreement, the Annuity, the Purchase Agreements or this Consent Judgment other that before this Court.

Ellen L. Hollander

Ellen Lipton Hollander
United States District Judge 5/17/13